



LOCAL 1389 PHOTO BY DOUGLAS CHAMBER

Letter from the Executive Director Robb Kahl

In general, state agencies, counties, cities, villages, towns and other public entities must award public works projects to the lowest responsible bidder.¹ Who is a “responsible” bidder is not well-defined in the statutes, and courts have generally held that whether a bidder is “responsible” is a matter left to the discretion of the public entity.^{II}

To assist state agencies, counties, cities, village, towns and other public entities, Construction Business Group has collected publicly available information and documents on over 5,200 businesses – union and non-union – that are likely to bid on public works projects. Information and documents have been gathered from state and federal agencies, Wisconsin state courts, federal courts, municipal clerks, and a variety of other public sources.



Robb Kahl

Twelve categories of information have been collected, including, prevailing wage violations, UI violations, federal and state court civil judgments, debarments and more. The database has hyperlinks to downloadable public documents collected by CBG. Annually, CBG will re-verify all 12 categories of information on all 5,200-plus contractors.

CBG is not providing public entities legal advice or an opinion as to whether a business listed in the database is or is not a “responsible” bidder or should or should not be used, hired, contracted with or

awarded work. Those are decisions that must be made by project owners in consultation with their legal counsel. And, while CBG makes every attempt to have up-to-date, accurate information, the bidder database is a research starting point for project owners. Project owners always should undertake their own independent research and analysis.

However, this is a resource that is being made available at a critical time. Without prevailing wage laws to protect against low-road contractors winning public works projects, governmental agencies will need to thoroughly vet bidders to make certain they award work to the lowest responsible bidder. CBG’s bidder database is free to registered users. To apply to be a registered user, go to www.cbghi.com/bidder-database/ to learn more.

Robb Kahl,
CBG Executive Director

I Wis. Stat. §§ 16.855(1m), 59.52(29), 60.47(3), 62.15(1), and 66.0901(1m).

II D.M.K., Inc. v. Town Of Pittsfield, 2006 WI App 40, ¶¶ 13-19, 290 Wis. 2d 474, 711 N.W.2d 672; Glacier State Distrib. Servs., Inc. v. DOT, 221 Wis. 2d 359, 367-68 & n.6, 585 N.W.2d 652 (Ct. App. 1998); Aqua-Tech, Inc. v. Como Lake Prot. & Rehab. Dist., 71 Wis. 2d 541, 551, 239 N.W.2d 25 (1976).

IS YOUR COMPANY IN THE 72%?

AGC of America and Autodesk reported that 72% of Midwest construction contractors are having a hard time filling hourly craft positions that represent the bulk of the construction workforce. CBG understands the critical need to build the workforce pipeline and remains committed to supporting multiple initiatives.

THERE ARE MULTIPLE OPPORTUNITIES FOR YOU TO GET INVOLVED:

1. Promote the October 18th Externship Day for educators and students at the Coloma Training Center to schools in your community. Please contact Laura Cataldo if you are interested in participating on the Employer Panel for this event.

2. Volunteer to be an industry liaison to a student in your community that is interested in a construction career and has enrolled in the Operating Engineers Pre-Apprenticeship Program with Destinations Career Academy. Serving as an industry liaison for a student could include classroom visits, company or job-site tours, job shadow, etc. Students from the following communities are already enrolled for fall:

Baraboo	Milwaukee	Tomah
Chequamegon	Portage	Montello
Crandon	Poynette	Waupun
Flambeau	Reedsville	West Allis
McFarland	Sparta	Westfield

3. Set up an employer profile on Inspire Wisconsin, a statewide platform that directly connects local employers to students through online profiles, virtual career coaches, and career-based learning activities for high school students and educators.

Developed by Career Cruising, a software available to all Wisconsin school districts to assist with meeting the requirements of Academic Career Planning, Inspire helps educate students, educators, parents, and jobseekers about the current and projected talent needs of local companies.

Setting up an employer profile on Inspire allows you to:

- Inform students and educators about your business and industry
- Answer career or company-related questions from local students
- Let teachers and students throughout the region know about special events such as career fairs, guest speakers, job shadows or internships
- Send targeted messages to students and educators about career-related topics important to your company and industry

Contractors interested in an employer profile on Inspire Wisconsin should contact their regional economic development organization:

- Visions Northwest
(Ashland, Medford, Superior)
visionsnorthwest.org
- Momentum West
(Eau Claire, Menomonie, River Falls)
momentumwest.org
- 7 Rivers Alliance
(LaCrosse, Onalaska, Sparta)
7riversalliance.org
- Prosperity Southwest
(Prairie du Chien, Platteville)
prosperitysouthwest.com
- Grow North
(Antigo, Rhineland)
grownorth.biz
- Centergy
(Marshfield, Stevens Point, Wausau)
centergy.net
- MadREP
(Beloit, Janesville, Madison)
inspiremadisonregion.org
- The New North
(Appleton, Fond du Lac, Green Bay, Oshkosh)
thenewnorth.com
- Milwaukee 7
(Kenosha, Milwaukee, Racine)
m7talentpartnership.org

If you have questions about any of CBG's workforce initiatives or the items above, please contact Laura Cataldo at laura.cataldo@bakertilly.com or 608-240-2488.





PHEIFER BROTHERS CONSTRUCTION

By Ryan Pheifer, Pheifer Brothers Construction Co., Inc. and Neil Strobel, Construction Business Group Wage/Hour Investigator

PHOTO FROM PHEIFER BROTHERS CONSTRUCTION CO.

Founded in 1952 and incorporated in 1960 by two brothers, Robert and Alan, Pheifer focused originally on residential construction until Courtney and Plummer asked them to construct a bridge on Highway 21 in Omro. That bridge would go on to win the Wisconsin Department of Transportation's structure of the year award in 1955.

Bob and Al continued to build bridges throughout the state until their retirement more than 35 years later.

Now, well into a third generation,

Pheifer continues to build structures throughout Wisconsin while striving to foster a family relationship among staff. Pheifer proudly employs 12 Operators, 11 Carpenters, and 12 Laborers. Since 1953, our focus has been on building bridges and heavy highway construction projects for WisDOT. Our projects range from 20-foot, single-span bridges over drainage ditches to large highway viaducts and river crossings.

With an average of more than 12 years of experience, our crews are

proud of the services they provide and the products they deliver to taxpayers.

Since joining these unions in 2012, Pheifer has benefited from the best in class each union provides. Pheifer appreciates knowing that each of its employees has top-notch health insurance and a strong financial plan for retirement. We know those in this business work extremely hard each day and it gives us great peace of mind knowing that those who work for us will be able to retire and enjoy the quality of life that they deserve.

LOCAL 139 PHOTO BY DOUGLAS CHEEVER



CARPENTERS JOIN CBG

The International Union of Operating Engineers Local 139 and the North Central States Regional Council of Carpenters have a long history of collaboration on issues of mutual importance such as prevailing wage, misclassification and competitive bidding laws. This positive working relationship has taken another step forward.

As of June 5, the Carpenters' contracts with Associated General Contractors of Wisconsin, AGC of Greater Milwaukee, and the Allied Construction Employers Association

include hourly contribution commitments that will be paid through an intermediary labor-management organization and then to Construction Business Group. On June 22, CBG trustees approved changes to the organization's trust agreement to include the Carpenters, AGC Greater Milwaukee and ACEA. AGC Wisconsin already had been a long-time member of CBG through its contracts with the Operating Engineers.

Participation in CBG by the Carpenters and their employer

associations is limited to CBG's compliance work. See <http://www.cbgwi.com/industry-help/>. The new CBG Compliance Trustees are:

John Raines, Executive Secretary-Treasurer of the Carpenters

Burt Johnson, General Counsel of the Carpenters

Pete Braun, of Wall-tech Inc., representing AGC of Greater Milwaukee

Todd Browning, of Olympic Companies Inc., representing ACEA

Everyone at CBG extends a warm welcome to the new trustees.

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APPRENTICESHIP RATIOS

Doug Wipperfurth, based in Verona, is a wage/hour investigator with CBG.

In 1911, Wisconsin legislators passed statute §106.01 setting standards for apprenticeship programs.

For a trade/occupation to qualify for an apprenticeship program, the trade/occupation must meet criteria to be an apprenticeable trade. The occupation must be commonly recognized throughout the industry, involve skills that are customarily learned through a structured, systematic program of on-the-job training, require at least 2,000 hours of on-the-job learning, and related classroom instruction.

To be a bona-fide apprenticeship program, it must be registered with US Department of Labor or a state apprenticeship agency (Department of Workforce Development). Many trades have apprenticeship programs in Wisconsin and all must meet an apprentice-to-journeyworker ratio. If you are a military veteran, you may be able to use your GI Bill Benefits at the Local 139 Operating Engineers apprenticeship program.

Part of being a bona-fide apprenticeship program also requires that wages paid to an apprentice must be written on the indenture papers, or apprentice contract. The wages must be

progressive though the years of apprenticeship and must start at a minimum wage of at least 60 percent of the journeyworkers' wage rate.

Both federal and state laws require an apprentice-to-journeyworker ratio be maintained. These ratios are to ensure safe and thorough training of apprentices, including on job sites. It would be easy for a contractor to misuse the ratios, but this distracts from the learning process and can become unsafe and a hazard to everyone on the job site, in addition to violating the law.

A collective bargaining agreement may dictate a lower apprentice-to-journeyworker ratio than the state minimum. But the agreement cannot increase or exceed the state's apprenticeship ratios.

Federal regulations require that the ratio language be specific and clearly described as to its application to the job site or workforce. In Wisconsin, the ratio typically applies to the employer's workforce rather than job site. When working on a state or federal prevailing wage project, the workforce ratio applies to the job site.

The ratio of a bona fide apprentice is one apprentice to one journeyworker. To add an additional apprentice, the ratio increases. The increase varies between the trades but is generally between two to five journeyworkers to add to the second apprentice. You can view the trade ratios on the Wisconsin DWD web page: dwd.wisconsin.gov/apprenticeship/pdf/construction_trade_ratios.pdf.

If the apprentice-to-journeyworker ratio is not met on a prevailing wage project, the contractor must pay full journeyworker wages to each apprentice that exceeds the ratio. The contractor also can be subject to other penalties as determined by the US Department of Labor or DWD.

The Wisconsin Bureau of Apprenticeship Standards Central Office is at 201 E Washington Ave., Room E100, Madison, WI, 53707; 608-266-3332.

If you have any questions or concerns about apprenticeship ratios, please contact a Construction Business Group investigator for further information.